

BINGHAM, DANA & GOULD

150 FEDERAL STREET
BOSTON, MASSACHUSETTS 02110

TELEPHONE (617) 951-8000
TELEX 275147 BDGBSN UR
CABLE ADDRESS BLODGHAM BSN
TELECOPY (617) 951-8736

13279
APR 9 1991 10:25 AM
INTERSTATE COMMERCE COMMISSION

WASHINGTON OFFICE
(202) 822-9320

HARTFORD OFFICE
(203) 244-3770

CAPE COD OFFICE
(508) 420-0283

LONDON OFFICE
011-44-71-799-2646

April 8, 1991

BY MESSENGER

1-099A024

Interstate Commerce Commission
Room 2303
12 Street & Constitution Avenue, N.W.
Washington, D.C. 20423

Attention: Ms. Mildred Lee

Ladies and Gentlemen:

Enclosed for recording with the Commission pursuant to Section 11303 of Title 49 of the U.S. Code are executed and notarized copies of the document described below.

This document is a Security Agreement, a primary document dated as of April 8, 1991, between MidLouisiana Rail Corporation, as the debtor (the "Debtor"), and The First National Bank of Boston as collateral agent for itself and other lenders, as the secured party (the "Secured Party"), covering the Debtor's rolling stock now owned or hereafter acquired and all other properties and rights of the Debtor. Descriptions of the rolling stock are attached to the Security Agreement as Schedule III, as the same may be revised from time to time, but the property covered by the Security Agreement is not limited to that listed in Schedule III.

The names and addresses of the parties to the Security Agreement are as follows: the Debtor is MidLouisiana Rail Corporation, whose chief executive office is located at P.O. Box 202A, Elm Street, Hodge, Louisiana 71247; the Secured Party is The First National Bank of Boston, as collateral agent, whose head office is located at 100 Federal Street, Boston, Massachusetts 02110.

Counters Parts - Charles Mitchell

BINGHAM, DANA & GOULD
Interstate Commerce Commission
April 8, 1991
Page 2

Included in the property covered by the aforesaid Security Agreement are railroad cars, locomotives and other rolling stock intended for use related to interstate commerce, or interests therein, owned and leased by the Debtor after the date of said Security Agreement.

A short summary of the document to appear in the index is as follows:

"A Security Agreement, dated as of April 8, 1991, between MidLouisiana Rail Corporation, as the debtor, and The First National Bank of Boston, as collateral agent, as the secured party, covering the debtor's rolling stock and all other properties and rights of the debtor. Descriptions of the rolling stock are attached to the Security Agreement as Schedule III."

Also enclosed is a check in the amount of \$15.00, payable to the Interstate Commerce Commission, to cover the recording fee prescribed by the Commission in its rules and regulations.

Please acknowledge receipt of the enclosed documents at your earliest convenience by stamping and returning to the undersigned the enclosed copy of this letter together with Security Agreement as filed.

If you have any questions with respect to the enclosed documents, please call the undersigned collect at (617) 951-8000.

Sincerely,



Toby R. Serkin

Enclosures

0450U

Interstate Commerce Commission

Washington, D.C. 20423

OFFICE OF THE SECRETARY

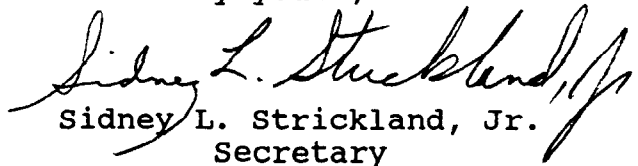
4/9/91

Bingham, Dana & Gould
150 Federal Street
Boston, Massachusetts 02110

Dear Sirs:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 4/9/91 at 10:25AM, and assigned recordation number(s). 17279, 16695-B and 14930-B

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

17279
APR 9 1991 - 10 25 AM
INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

MIDLOUISIANA RAIL CORPORATION

This SECURITY AGREEMENT dated as of April 8, 1991, by and among MIDLOUISIANA RAIL CORPORATION, a Delaware corporation having its chief executive office at 111 East Capitol Street, Jackson, Mississippi 39201 (the "Company"), and THE FIRST NATIONAL BANK OF BOSTON as a collateral agent (the "MidSouth Collateral Agent") for (i) itself and the banks (the "Banks") which are or may become parties to that certain Amended and Restated Revolving Credit and Term Loan Agreement, dated as of April 8, 1991, among the Company, MidSouth Rail Corporation ("MidSouth"), SouthRail Corporation ("SouthRail") (the Company, MidSouth and SouthRail are referred to herein collectively as the "Borrowers"), MidSouth Corporation (the "Parent"), The First National Bank of Boston as MidSouth Collateral Agent and as administrative agent, Deposit Guaranty National Bank as a collateral agent and the Banks, as the same may be amended, restated, modified or supplemented from time to time (such agreement, as in effect from time to time, the "Credit Agreement"), (ii) the purchasers (the "Senior Note Purchasers") which are parties to that certain Note Purchase Agreement, dated as of April 2, 1991, among the Borrowers, the Parent and the Senior Note Purchasers, as the same may be amended, restated, modified or supplemented from time to time (such agreement, as in effect from time to time, the "Senior Note Purchase Agreement"), and (iii) the purchasers (the "Subordinated Note Purchasers") which are parties to those certain several Note Purchase Agreements, each dated as of December 3, 1987 and amended and restated as of April 2, 1991, among the Borrowers, the Parent and the Subordinated Note Purchasers, as the same may be amended, restated, modified or supplemented from time to time (such agreements, as in effect from time to time, collectively, the "Subordinated Note Purchase Agreement"). The Banks and the Senior Note Purchasers are referred to herein individually as a "Senior Lender" and collectively as the "Senior Lenders". The Banks, the Senior Note Purchasers and the Subordinated Note Purchasers are referred to herein individually as a "Secured Party" and collectively as the "Secured Parties". Capitalized terms which are used herein without definition and which are defined in the Credit Agreement shall have the same meanings herein as in the Credit Agreement.

§1. GRANT OF SECURITY INTEREST. To secure the due and prompt payment and performance of the Obligations (as defined below), the Company hereby pledges and assigns to the MidSouth Collateral Agent for the benefit of the Secured Parties and grants to the MidSouth Collateral Agent for the benefit of the Secured Parties a continuing security interest in and lien on all properties, assets and rights of the Company of every kind and nature, wherever located, now owned or hereafter acquired or arising, and all proceeds and products thereof, including, without limiting the generality of the foregoing, all goods, accounts, including all accounts receivable, contract rights, all rights of the Company under any agreements with other operating railroads pursuant to which rights of passage over tracks are granted during periods of emergency and disasters, rights to the payment of money including tax refund claims, insurance proceeds and tort claims, chattel paper, documents, instruments, general intangibles, the Company's operating certificate from the Interstate Commerce Commission, securities, together with all income therefrom, increases thereunder and proceeds thereof, patents, trademarks, tradenames, copyrights, engineering drawings, service marks, customer lists, books and records, furniture, fixtures, rolling stock of every kind and description, including, without limitation, the rolling stock described on Schedule III attached hereto, locomotives, rail, ties and capital improvements thereon, equipment, maintenance of way equipment, including, without limitation, the maintenance of way equipment described on Schedule I attached hereto, inventory and all other capital assets, raw materials, work in progress, and real property and interests in and rights in, on or over real property, including railbeds, yards and maintenance areas (all such properties, assets and rights hereinafter sometimes called, collectively, the "Collateral").

§2. OBLIGATIONS SECURED. The Collateral hereunder constitutes and will constitute continuing security for all the indebtedness, obligations and liabilities of the Company to the Secured Parties and any institutional lender who becomes a participant in or holder of any of the obligations comprising the Obligations (as defined below) under the Credit Agreement, the Notes, the other Loan Documents, the Senior Note Purchase Agreement and the Senior Notes (collectively, the "First Secured Obligations") and under the Subordinated Note Purchase Agreement and the Subordinated Notes (collectively, the "Second Secured Obligations"), in each case as such instrument is originally executed on the date hereof or as modified, amended, restated, supplemented or extended hereafter, whether such obligations are now existing or hereafter arising, joint or several, direct or indirect, absolute or contingent, due or

to become due, matured or unmatured, liquidated or unliquidated, arising by contract, operation of law or otherwise, and all obligations of the Company to the Secured Parties arising out of any extension, refinancing or refunding of any of the foregoing obligations (the First Secured Obligations and the Second Secured Obligations are collectively referred to herein as the "Obligations"). The Credit Agreement, the Notes, the Senior Note Purchase Agreement, the Senior Notes, the Subordinated Note Purchase Agreement and the Subordinated Notes are referred to herein, collectively, as the "Debt Agreements".

§3. PRO RATA SECURITY; APPLICATION OF PROCEEDS OF COLLATERAL. All amounts owing with respect to the Obligations shall be secured pro rata by the Collateral without distinction as to whether some Obligations are then due and payable and other Obligations are not then due and payable. Upon any realization upon the Collateral by the MidSouth Collateral Agent or any Secured Party, whether by receipt of insurance proceeds pursuant to §4(g) or upon foreclosure and sale of all or part of the Collateral pursuant to §8 or otherwise, the Company agrees that the proceeds thereof shall be applied (i) first, to the payment of expenses incurred with respect to maintenance and protection of the Collateral pursuant to §4 and of expenses incurred pursuant to §12 with respect to the sale of or realization upon any of the Collateral or the perfection, enforcement or protection of the rights of the Secured Parties (including reasonable attorney's fees and expenses of every kind, including without limitation reasonable allocated costs of staff counsel); (ii) second, to the Obligations in the manner set forth in §4(g) of the Intercreditor Agreement; and (iii) third, the balance, if any, shall be returned to the Company. The Company agrees that all amounts received with respect to any of the Obligations, whether by realization on the Collateral or otherwise, shall be applied to the payment of the Obligations in accordance with the provisions of this §3.

§4. REPRESENTATIONS AND COVENANTS OF THE COMPANY.

(a) Real Property. The Company represents to the MidSouth Collateral Agent that the real property listed on Schedule II hereto constitutes all of the real property which the Company owns or leases. The Company agrees to notify the MidSouth Collateral Agent of any other real property which the Company may hereafter acquire or lease. The Company agrees that it will execute and deliver to the MidSouth Collateral Agent for the benefit of the Secured Parties mortgages and other instruments, as referred to in

paragraph (i) below of this §4, and file the same in the appropriate recording offices with respect to the real property listed on Schedule II hereto and at such times as any mortgagable right, title or interest is acquired in the future by the Company in any other real property. All such mortgages and other instruments shall secure all of the Obligations pro rata and shall be on terms and conditions satisfactory to the MidSouth Collateral Agent as evidenced by its written consent thereto.

(b) Rolling Stock. The Company represents to the MidSouth Collateral Agent that the Rolling Stock (as defined in this §4(b)) listed on Schedule III hereto constitutes all of the Rolling Stock which the Company owns or leases. The Company agrees not to change any markings or serial numbers on any of the Rolling Stock listed on Schedule III until after the Company has given notice in writing to the MidSouth Collateral Agent of its intention to make such change. The Company agrees to notify the MidSouth Collateral Agent of any other Rolling Stock which the Company may hereafter acquire or lease. The Company agrees that it will execute and deliver to the MidSouth Collateral Agent for the benefit of the Secured Parties supplemental security agreements and other instruments, as referred to in paragraph (i) below of this §4, and file the same in the appropriate recording offices (i) with respect to the Rolling Stock listed on Schedule III hereto, (ii) at such times as any assignable right, title or interest is acquired in the future by the Company in any other Rolling Stock and (iii) at such times as any change is made in one or more of the markings or serial numbers on any of the Rolling Stock listed on Schedule III hereto or on any other Rolling Stock owned or leased by the Company. All such supplemental security agreements and other instruments shall secure all of the Obligations pro rata and shall be on terms and conditions satisfactory to the MidSouth Collateral Agent as evidenced by its written consent thereto. The term "Rolling Stock" as used herein means all rolling stock of every kind and description, locomotives and all other rail cars.

(c) Patents, Trademarks, Copyrights. The Company represents to the MidSouth Collateral Agent that as of the date hereof, except as set forth on Schedule IV hereto, it has no right, title or interest in any patent, trademark registrations, copyright registrations or service mark registrations, or in any pending applications for the same and agrees promptly to furnish to the MidSouth Collateral Agent written notice of each such patent, trademark, copyright or service mark registrations, or any applications for same, in which it may hereafter acquire any right, title

or interest. The Company shall, on request by the MidSouth Collateral Agent, execute, acknowledge and deliver all such documents and instruments as the MidSouth Collateral Agent may reasonably require to confirm the MidSouth Collateral Agent's security interest for the benefit of the Secured Parties in and to any such patent, trademark or service mark registrations, or application for the same as part of the Collateral hereunder and appoints the MidSouth Collateral Agent as the Company's attorney-in-fact to execute and file the same.

(d) Location of Chief Executive Office; Tax Identification Number. The Company represents to the MidSouth Collateral Agent that the federal tax identification number of the Company is 64-0748860, and that the location of the Company's chief executive office and the location where the books and records of the Company are kept is P.O. Box 202A, Elm Street, Hodge, Louisiana 71247. The Company further represents that attached hereto as Schedule V is a true and correct list of all localities where property comprising a part of the Collateral (other than interests in real property set forth in Schedule II) is located. The Company agrees that it will not change its federal tax identification number or the location of its chief executive office or the location where its books and records are kept without the express written consent of the MidSouth Collateral Agent and except as permitted by each of the Debt Agreements and will advise the MidSouth Collateral Agent as to any change in the location of any property comprising a part of the Collateral.

(e) Ownership of Collateral.

(i) The Company represents that it is the owner of the Collateral free from any adverse lien, security interest or encumbrance, except as permitted by each of the Debt Agreements.

(ii) Except for the security interests herein granted and except as permitted by each of the Debt Agreements, the Company shall be the owner of the Collateral free of any lien, security interest or encumbrance and the Company shall defend the same against all claims and demands of all persons at any time claiming the same or any interest therein adverse to the Secured Parties. Except as otherwise permitted by each of the Debt Agreements, the Company shall not pledge, mortgage or create or suffer to exist a security interest in the Collateral in favor of any person other than the Secured Parties.

(f) Sale or Disposition of Collateral. Except as permitted by the Debt Agreements, the Company will not sell or offer to sell or otherwise transfer the Collateral or any interest therein except for sales of inventory in the ordinary course of business.

(g) Insurance. The Company shall have and maintain at all times with respect to the Collateral such insurance as is required by each of the Debt Agreements, such insurance to be payable to the MidSouth Collateral Agent for the benefit of the Secured Parties and to the Company as their interests may appear. All policies of insurance shall provide for ten days' written minimum cancellation notice to the MidSouth Collateral Agent. In the event of failure to provide and maintain insurance as herein provided, the MidSouth Collateral Agent may, at its option, provide such insurance, and the Company hereby promises to pay to the MidSouth Collateral Agent on demand the amount of any disbursements made by the MidSouth Collateral Agent for such purpose. The Company shall furnish to the MidSouth Collateral Agent certificates or other evidence satisfactory to the MidSouth Collateral Agent of compliance with the foregoing insurance provisions. The MidSouth Collateral Agent may act as attorney for the Company in obtaining, adjusting, settling and cancelling such insurance and endorsing any drafts; and any amounts collected or received under any such policies shall be applied by the MidSouth Collateral Agent to the Obligations in accordance with the provisions of §3, or at the option of the MidSouth Collateral Agent, the same may be released to the Company, but such application or release shall not cure or waive any default hereunder and no amount so released shall be deemed a payment on any Obligation secured hereby.

(h) Maintenance of Collateral. Except for the "nonessential property" of the Company disclosed on Schedule 9.3 to the Credit Agreement, the Company will keep the Collateral in good order and repair and will not use the same in violation of law or any policy of insurance thereon. The MidSouth Collateral Agent may inspect the Collateral at any reasonable time, wherever located. Except as otherwise provided in each of the Debt Agreements, the Company will pay promptly when due all taxes and assessments upon the Collateral or for its use or operation or upon this Agreement. In its discretion, the MidSouth Collateral Agent may discharge taxes and other encumbrances at any time levied or placed on the Collateral which remain unpaid in violation of any of the Debt Agreements, make repairs thereof and pay any necessary filing fees. The Company agrees to reimburse the MidSouth Collateral Agent on demand for any and all expenditures so made, and until paid the amount thereof shall be a debt secured by the Collateral. The MidSouth Collateral Agent shall have no obligation to

the Company to make any such expenditures, nor shall the making thereof relieve the Company of any default.

(i) Creation and Perfection of Lien. The Company represents and warrants to the MidSouth Collateral Agent for the benefit of the Secured Parties and covenants with the MidSouth Collateral Agent for the benefit of the Secured Parties that this Agreement creates a valid security interest in the Collateral as security for the payment and performance of the Obligations. Upon the filing and recording of this Agreement with the Interstate Commerce Commission (the "ICC") in accordance with §11303 of Title 49 of the United States Code and the rules and regulations thereunder, and upon the filing of financing statements in the form attached hereto as Exhibit A (the "Financing Statements") under the Uniform Commercial Code as the same may be in effect from time to time in the State of Louisiana (the "UCC"), naming the Company as debtor and the MidSouth Collateral Agent as secured party, such security interest shall be perfected under the UCC and the Interstate Commerce Act of 1887, as amended ("ICA"), and such security interest shall be prior to all other Liens, except as contemplated by the Debt Agreements. No further filings, recordings or other actions are or will be necessary to perfect or maintain the priority of such security interest other than the filing of UCC continuation statements within six months prior to the expiration of a period of five years after such original filing. This Agreement and all documents to be filed therewith are in appropriate form for filing with the ICC. The Financing Statements are in appropriate form and have been duly filed pursuant to the UCC.

(j) No Further Actions. Except for the filings referred to in paragraph (i) above and as otherwise specified in the Debt Agreements, no authorization, approval or other action by, and no notice of filing with, any governmental authority or regulatory body or other Person that has not been received, taken or made is required (i) for the grant by the Company of the security interests granted hereby or for the execution, delivery or performance of this Agreement by the Company, (ii) for the perfection and maintenance of the security interests hereunder (including the first priority nature of such security interests), or (iii) for the exercise by the MidSouth Collateral Agent of the rights or the remedies in respect of the Collateral pursuant to this Agreement.

(k) Accounts Receivable. The Company shall keep or cause to be kept separate records of accounts which are complete and accurate in all material respects, and from time to time upon the request of the MidSouth Collateral Agent, shall deliver to the MidSouth Collateral Agent a list of the names, addresses, face value, and dates of invoices for each debtor obligated on such account receivable.

(l) Government Contracts. The Company agrees that it shall execute all such documents, and take all such actions, as the MidSouth Collateral Agent shall determine to be necessary or appropriate from time to time under the federal Assignment of Claims Act of 1940, as amended, in order to confirm and assure to the MidSouth Collateral Agent its rights under this Agreement with respect to any and all Collateral consisting of the Company's rights to moneys due or to become due under any contracts or agreements with or orders from the United States government or any agency or department thereof, the assignment of which is not prohibited by such contract or agreement (collectively, "Government Receivables"). Without limiting the generality of the foregoing, the Company agrees that simultaneously with the execution and delivery of this Agreement it shall execute and deliver to the MidSouth Collateral Agent a confirmatory assignment substantially in the form of Exhibit B attached hereto (a "Confirmatory Assignment") with respect to each Government Receivable existing on the date hereof where the aggregate proceeds payable to the Company thereunder exceed \$100,000, and within ten Bank Business Days after the creation of any such new Government Receivable, the Company shall execute and deliver to the MidSouth Collateral Agent a Confirmatory Assignment with respect thereto. The Company hereby irrevocably authorizes the MidSouth Collateral Agent, or its designee, at the Company's expense, to file with the United States government (or the appropriate agency or instrumentality thereof) a notice of each assignment of a Government Receivable substantially in the form of Exhibit C attached hereto (a "Notice of Assignment"), to which a copy of the relevant Confirmatory Assignment may be attached, and appoints the MidSouth Collateral Agent as the Company's attorney-in-fact to execute and file any such Confirmatory Assignments, Notices of Assignment and any ancillary documents relating thereto.

(m) Securities. The Company agrees that it shall forthwith deliver and pledge to the MidSouth Collateral Agent hereunder for the benefit of the Secured Parties all certificates representing securities which it shall acquire, whether by purchase, stock dividend, distribution of capital or otherwise, along with stock powers or other appropriate instruments of assignment with respect thereto, duly executed in blank.

(n) Further Assurances By the Company. The Company agrees to execute and deliver to the MidSouth Collateral Agent for the benefit of the Secured Parties from time to time at its request all documents and instruments, including financing statements, supplemental security agreements, notices of assignments under the United States Assignment of Claims Act and under similar or local statutes and regulations, and to take all action as the MidSouth Collateral Agent may reasonably deem necessary or proper to perfect or otherwise protect the security interest and lien created hereby.

§5. POWER OF ATTORNEY. (a) The Company acknowledges the MidSouth Collateral Agent's right, to the extent permitted by applicable law, singly to execute and file financing or continuation statements and similar notices required by applicable law, and amendments thereto, concerning the Collateral without execution by the Company. A carbon, photographic or other reproduction of this Agreement or any financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement where permitted by law.

(b) The Company hereby irrevocably appoints the MidSouth Collateral Agent as its attorney-in-fact, effective at all times subsequent to the occurrence of an Event of Default (as defined herein), and during the continuance thereof, with full authority in the place and stead of the Company and in the name of the Company or otherwise, to take any action and to execute any instrument which the MidSouth Collateral Agent may deem necessary or advisable to accomplish the purpose of this Agreement, including, without limitation, the power and right (i) to endorse the Company's name on any checks, notes, acceptances, money orders, drafts, filings or other forms of payment or security that may come into the MidSouth Collateral Agent's possession; and (ii) to do all other things which the MidSouth Collateral Agent then determines to be necessary to carry out the terms of this Agreement. The Company ratifies and approves all acts of such attorney-in-fact. The power conferred on the MidSouth Collateral Agent hereunder is solely to protect the MidSouth Collateral Agent's and the Secured Parties' interests in the Collateral and shall not impose any duty upon the MidSouth Collateral Agent to exercise such power.

§6. SECURITIES AS COLLATERAL. (a) Upon the occurrence and during the continuance of an Event of Default, the MidSouth Collateral Agent may at any time, at

its option, transfer to itself or any nominee any securities constituting Collateral, receive any income thereon and hold such income as additional Collateral or apply it to the Obligations. If the MidSouth Collateral Agent so elects to exercise its right herein and gives notice of such election to the Company, upon the occurrence and during the continuance of an Event of Default, the MidSouth Collateral Agent may vote any or all of the securities constituting Collateral possessing voting rights (whether or not the same shall have been transferred into its name or the name of its nominee or nominees) and give all consents, waivers and ratifications in respect of the securities constituting Collateral and otherwise act with respect thereto as though it were the outright owner thereof, the Company hereby irrevocably constituting and appointing the MidSouth Collateral Agent the proxy and attorney-in-fact of the Company, with full power of substitution, to do so. So long as no Event of Default is continuing, the Company shall be entitled to receive all cash dividends paid in respect of the securities, to vote the securities and to give consents, waivers and ratifications in respect of the securities, provided that no vote shall be cast, or consent, waiver or ratification given or action taken which would be inconsistent with or violate any provisions of any of the Debt Agreements or this Agreement.

(b) Any sums paid upon or with respect of any of the securities upon the liquidation or dissolution of the issuer thereof shall be paid over to the MidSouth Collateral Agent to be held by it as security for the Obligations; and in case any distribution of capital shall be made on or in respect of any of the securities or any property shall be distributed upon or with respect to any of the securities pursuant to the recapitalization or reclassification of the capital of the issuer thereof or pursuant to the reorganization thereof, the property so distributed shall be delivered to the MidSouth Collateral Agent to be held by it as security for the Obligations. All sums of money and property paid or distributed in respect of the securities upon such a liquidation, dissolution, recapitalization or reclassification which are received by the Company shall, until paid or delivered to the MidSouth Collateral Agent, be held in trust for the Secured Parties as security for the Obligations.

§7. ACCOUNTS RECEIVABLE. Until the MidSouth Collateral Agent requests that debtors on accounts receivable of the Company or obligors on accounts, chattel paper or general intangibles of the Company or obligors on instruments for which the Company is an obligee or lessees

or conditional vendees under agreements governing the leasing or selling by conditional sale of Collateral by the Company be notified of the Secured Parties' security interest, the Company shall continue to collect payment thereof. Upon the making of such a request by the MidSouth Collateral Agent, the Company shall hold the proceeds received from collection as trustee for the Secured Parties and shall turn the same over to the MidSouth Collateral Agent, or to such other bank as may be approved by the MidSouth Collateral Agent, immediately upon receipt in the identical form received. The Company shall, at the request of the MidSouth Collateral Agent, notify such account debtors or obligors that payment thereof is to be made directly to the MidSouth Collateral Agent, and the MidSouth Collateral Agent may itself at any time, without notice to or demand upon the Company, so notify such account debtors or obligors. The making of such a request or the giving of any such notification shall not affect the duties of the Company described above with respect to proceeds of collection of accounts receivable received by the Company. The MidSouth Collateral Agent shall apply the proceeds of such collection received by the MidSouth Collateral Agent to the Obligations in accordance with §3 of this Agreement. The application of the proceeds of such collection shall be conditional upon final payment in cash or solvent credits of the items giving rise to them. If any item is not so paid, the MidSouth Collateral Agent in its discretion, whether or not the term is returned, may either reverse any credit given for the item or charge it to any deposit account maintained by the Company with the MidSouth Collateral Agent.

§8. EVENTS OF DEFAULT; REMEDIES. (a) Whether or not the Obligations are due, the MidSouth Collateral Agent may demand, sue for, collect, or make any settlement or compromise with respect to the Collateral upon the written instruction of the Secured Parties in accordance with §4 of the Intercreditor Agreement.

(b) An "Event of Default" hereunder shall mean (i) that a representation, warranty or certification made in this Agreement or in any document executed or delivered from time to time relating to this Agreement is materially untrue, misleading or incomplete in its recital of any facts at the time as of which such representation, warranty or certification, as the case may be, is made, (ii) any Event of Default as that term is defined in any of the Debt Agreements, whether or not any acceleration of the maturity of the amounts due in respect of any of the Obligations shall have occurred, or (iii) any Event of Default as that term is defined in any other Security Document.

(c) Upon the occurrence and during the continuance of an Event of Default to the fullest extent permitted by applicable law, in addition to the remedies set forth elsewhere in this Agreement:

(i) The MidSouth Collateral Agent shall have, in addition to all other rights and remedies given it by any instrument or other agreement evidencing, or executed and delivered in connection with, any of the Obligations and otherwise allowed by law, the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Collateral may be located and the rights and remedies of a secured party holding a security interest in collateral pursuant to the ICA, and without limiting the generality of the foregoing, the MidSouth Collateral Agent shall, upon the written instruction of the Secured Parties in accordance with §4 of the Intercreditor Agreement, immediately, without (to the fullest extent permitted by law) demand of performance or advertisement or notice of intention to sell or of time or place of sale or of redemption or other notice or demand whatsoever, (except that the MidSouth Collateral Agent shall give to the Secured Parties and the Company at least five days' notice of the time and place of any proposed sale or other disposition), all of which are hereby expressly waived to the fullest extent permitted by law, sell at public or private sale or otherwise realize upon, in the City of Boston, Massachusetts, or elsewhere, the whole or from time to time any part of the Collateral in or upon which the MidSouth Collateral Agent shall have a security interest or lien hereunder, or any interest which the Company may have therein, and after deducting from the proceeds of sale or other disposition of the Collateral all expenses (including all reasonable expenses for legal services, including without limitation reasonable allocated costs of staff counsel) as provided in §12, shall apply the residue of such proceeds toward the payment of the Obligations in accordance with §3 of this Security Agreement, the Company remaining liable for any deficiency remaining unpaid after such application. If notice of any sale or other disposition is required by law to be given to the Company or any Secured Party, each of the Company and the Secured Parties hereby agrees that a notice given as hereinbefore provided shall be reasonable notice of such sale or other disposition. The Company also agrees to assemble the Collateral at such place or places as the MidSouth Collateral Agent reasonably

designates by written notice. At any such sale or other disposition any Secured Party may itself, and any other person or entity owed any Obligation may itself, purchase the whole or any part of the Collateral sold, free from any right of redemption on the part of the Company, which right is hereby waived and released to the fullest extent permitted by law. The Secured Parties agree with each other that so long as any Obligation remains outstanding, none of the Secured Parties nor any other holder of any of the Obligations shall have any right to bid for the Collateral being sold at any sale pursuant to this §8(c)(i) with any part of the Obligations, and the MidSouth Collateral Agent and the Company shall have no obligation to accept any such bid.

(ii) Furthermore, without limiting the generality of any of the rights and remedies conferred upon the MidSouth Collateral Agent under §8(c)(i) hereof, the MidSouth Collateral Agent to the fullest extent permitted by law shall, upon the written instruction of the Secured Parties in accordance with §4 of the Intercreditor Agreement, enter upon the premises of the Company, exclude the Company therefrom and take immediate possession of the Collateral, either personally or by means of a receiver appointed by a court therefor, using all necessary force to do so, and may, at its option, use, operate, manage and control the Collateral in any lawful manner and may collect and receive all rents, income, revenue, earnings, issues and profits therefrom, and may maintain, repair, renovate, alter or remove the Collateral as the MidSouth Collateral Agent may determine in its discretion, and any such monies so collected or received by the MidSouth Collateral Agent shall be applied to, or may be accumulated for application upon, the Obligations in accordance with §3 of this Agreement.

(iii) The MidSouth Collateral Agent agrees that it will give notice to the Company and the Secured Parties of any enforcement action taken by it pursuant to this §8 promptly after commencing such action.

(iv) The Company recognizes that the MidSouth Collateral Agent may be unable to effect a public sale of the securities by reason of certain prohibitions contained in the Securities Act of 1933, as amended, and may be compelled to resort to one or more private sales thereof to a restricted group of purchasers consistent with all applicable laws. The Company

agrees that any such private sales may be at prices and other terms less favorable to the Company than if sold at public sales and that such private sales shall not by reason thereof be deemed not to have been made in a commercially reasonable manner. The MidSouth Collateral Agent shall be under no obligation to delay a sale of any of the securities for the period of time necessary to permit the issuer of such securities to register such securities for public sale under the Securities Act of 1933, as amended, even if the issuer would agree to do so.

§9. MARSHALLING. The MidSouth Collateral Agent shall not be required to marshal any present or future security for (including but not limited to this Agreement and the Collateral subject to the security interest created hereby), or guaranties of, the Obligations or any of them, or to resort to such security or guaranties in any particular order; and all of its rights hereunder and in respect of such securities and guaranties shall be cumulative and in addition to all other rights, however existing or arising. To the extent that it lawfully may, the Company hereby agrees that it will not invoke any law relating to the marshalling of collateral which might cause delay in or impede the enforcement of the MidSouth Collateral Agent's rights under this Agreement or under any other instrument evidencing any of the Obligations or under which any of the Obligations is outstanding or by which any of the Obligations is secured or guaranteed, and to the extent that it lawfully may the Company hereby irrevocably waives the benefits of all such laws. Except as otherwise provided by applicable law, the MidSouth Collateral Agent shall have no duty as to the collection or protection of the Collateral or any income thereon, nor as to the preservation of rights against prior parties, nor as to the preservation of any rights pertaining thereto beyond the sole custody thereof.

§10. COMPANY'S OBLIGATIONS NOT AFFECTED. To the extent permitted by law, the obligations of the Company under this Security Agreement shall remain in full force and effect without regard to, and shall not be impaired by (a) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or the like of the Company, to the extent permitted by law; (b) any exercise or nonexercise, or any waiver, by the MidSouth Collateral Agent of any right, remedy, power or privilege under or in respect of any of the Obligations or any security therefor (including this Agreement); (c) any amendment to or modification of this Agreement or any instrument evidencing any of the Obligations or pursuant to which any of them were

issued; (d) any amendment to or modification of any instrument or agreement (other than this Agreement) securing any of the Obligations; or (e) the taking of additional security for or any guaranty of any of the Obligations or the release or discharge or termination of any security or guaranty for any of the Obligations; and whether or not the Company shall have notice or knowledge of any of the foregoing.

§11. NO WAIVER. No failure on the part of the MidSouth Collateral Agent to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by the MidSouth Collateral Agent of any right, remedy or power hereunder preclude any other or future exercise of any other right, remedy or power. Each and every right, remedy and power hereby granted to the MidSouth Collateral Agent, the Secured Parties or the future holders of any of the Obligations or allowed to any of them by law or other agreement, including, without limitation, each of the Debt Agreements or any other Security Document, shall be cumulative and not exclusive of any other, and, subject to the provisions of this Agreement, may be exercised by the MidSouth Collateral Agent, the Secured Parties or the future holders of any of the Obligations from time to time.

§12. EXPENSES. The Company agrees to pay, on demand, all reasonable costs and expenses (including reasonable attorneys' fees and expenses for legal services of every kind, including without limitation reasonable allocated costs of staff counsel) of the MidSouth Collateral Agent incidental to the sale of, or realization upon, any of the Collateral or in any way relating to the perfection, enforcement or protection of the rights of the MidSouth Collateral Agent hereunder; and the MidSouth Collateral Agent may at any time apply to the payment of all such costs and expenses all monies of the Company or other proceeds arising from its possession or disposition of all or any portion of the Collateral.

§13. SPECIAL LOUISIANA PROVISIONS. Insofar as the validity or perfection of the security interest hereunder or the remedies hereunder are governed by the laws of the State of Louisiana, the Company agrees as follows:

(a) For purposes of Louisiana executory process, the Company acknowledges the Obligations secured hereby, whether now existing or to arise hereafter, and confesses judgment thereon if not paid when due. Upon the occurrence of an Event of Default and at any time thereafter so long as the

same shall be continuing, and in addition to all other rights and remedies granted the MidSouth Collateral Agent hereunder, it shall be lawful for and the Company hereby authorizes the MidSouth Collateral Agent without making a demand or putting the Company in default, a putting in default being expressly waived, to cause all and singular the Collateral to be seized and sold after due process of law, the Company waiving the benefit of any and all laws or parts of laws relative to appraisement of property seized and sold under executory process or other legal process, and consenting that the Collateral be sold without appraisement, either in its entirety or in lots or parcels, as the MidSouth Collateral Agent may determine, to the highest bidder for cash or on such other terms as the plaintiff in such proceedings may direct. In addition, the MidSouth Collateral Agent shall have all of the rights and remedies available to it under this Agreement or under the Louisiana Commercial Laws (Louisiana Revised Statutes, Title 10), then in effect, and under Chapter 9 of the Louisiana Commercial Laws, then in effect (La. R.S. 10:9-101 et seq.)

(b) The Company hereby waives:

- (i) the benefit of appraisement provided for in Articles 2332, 2336, 2723 and 2724 of the Louisiana Code of Civil Procedure and all other laws conferring the same;
- (ii) the demand and three (3) days notice of demand as provided in Articles 2639 and 2721 of the Louisiana Code of Civil Procedure;
- (iii) the notice of seizure provided by Articles 2293 and 2721 of the Louisiana Code of Civil Procedure; and
- (iv) the three (3) days delay provided for in Articles 2331 and 2722 of the Louisiana Code of Civil Procedure.

(c) The Company expressly authorizes and agrees that the MidSouth Collateral Agent shall have the right to appoint a keeper of the Collateral pursuant to the terms and provisions of La. R.S. 9:5136.

(d) All liens and security interests created and perfected by the Company prior to the effective date of Chapter 9 of the Louisiana Commercial Laws (La. R.S. 10:9-101 et seq.) (the "Existing Liens") shall remain effective according to their terms and the applicable

provisions of law, and nothing contained herein shall constitute a novation of, or otherwise extinguish such Existing Liens.

§14. CONSENTS, AMENDMENTS, WAIVERS. Any term of this Agreement may be amended, and the performance or observance by the Company of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only in accordance with §4 of the Intercreditor Agreement.

§15. GOVERNING LAW. Except as otherwise required by the laws of any jurisdiction in which any Collateral is located, this Agreement shall be deemed to be a contract under seal and shall for all purposes be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

§16. PARTIES IN INTEREST. All terms of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto, provided that the Company may not assign or transfer its rights hereunder without the prior written consent of the MidSouth Collateral Agent.

§17. COUNTERPARTS. This Agreement and any amendment hereof may be executed in several counterparts and by each party on a separate counterpart, each of which when so executed and delivered shall be an original, but all of which together shall constitute one instrument. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom enforcement is sought.

§18. TERMINATION. Upon payment in full of the Obligations in accordance with their terms, this Agreement shall terminate and the Company shall be entitled to the return, at the Company's expense, of such Collateral in the possession or control of the MidSouth Collateral Agent as has not theretofore been disposed of pursuant to the provisions hereof.

§19. NOTICES. Except as otherwise expressly provided herein, all notices and other communications made or required to be given pursuant to this Agreement shall be in writing and shall be delivered by hand, mailed by United

States registered or certified first-class mail, postage pre-paid, or sent by telecopy, telegraph or telex and confirmed by letter, addressed as follows:

(a) if to the Company, at:

P.O. Box 202A
Elm Street
Hodge, Louisiana 71247
Attention: President

or at such other addresses for notice as the Company shall last have furnished in writing to the MidSouth Collateral Agent;

(b) if to the MidSouth Collateral Agent at:

100 Federal Street
Boston, Massachusetts 02110
Attention: Michael J. Blake, Director

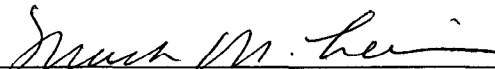
or at such other address for notice as the MidSouth Collateral Agent shall last have furnished in writing to the person giving the notice.

Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at time of the receipt thereof by such officer, (ii) if sent by registered or certified first-class mail, postage pre-paid, on the earlier of (A) the time of receipt thereof if a Bank Business Day, or if not a Bank Business Day, the next succeeding Bank Business Day, or (B) five Bank Business Days after the posting thereof and (iii) if sent by telecopy, telex or cable, at the time of dispatch thereof, if in normal business hours in the state where received or otherwise at the opening of business on the following Bank Business Day.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed as an instrument under seal by their authorized representatives as of the date first written above.

[Corporate Seal]

MIDLOUISIANA RAIL CORPORATION

By: 
Title: Chairman

THE FIRST NATIONAL BANK OF BOSTON,
as MidSouth Collateral Agent

By: Michael H. Blake
Title: Director

COMMONWEALTH OF MASSACHUSETTS)
) ss.
COUNTY OF SUFFOLK)

On this 8th day of April, 1991, before me personally appeared Mark M. Levin, to me personally known, who, being by me duly sworn, says that he is Chairman of MidLouisiana Rail Corporation, that the seal affixed to the foregoing instrument beside his signature is the corporate seal of said corporation and that the said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.

Pamela A. Stigley
Notary Public
My commission expires: 7/31/92

COMMONWEALTH OF MASSACHUSETTS)
) ss.
COUNTY OF SUFFOLK)

On this 8th day of April, 1991, before me personally appeared Michael G. Blake, to me personally known, who, being by me duly sworn, says that he is Director of The First National Bank of Boston, and that he is duly authorized to sign the foregoing instrument on behalf of said banking association, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said banking association.

Pamela A. Stigley
Notary Public
My commission expires: 7/31/92

85004LC

TO REORDER APPERSON BUSINESS FORMS
#33430
1-800-438-0162STATE OF LOUISIANA
UNIFORM COMMERCIAL CODE-FINANCING STATEMENT-UCC-1

IMPORTANT - Read instructions on back before filling out form

(Use UCC-1F for Farm Products)

This FINANCING STATEMENT is presented for filing pursuant to Chapter 9 of the Louisiana Commercial Laws

1A. DEBTOR (LAST NAME, FIRST MIDDLE-IF AN INDIVIDUAL) MidLouisiana Rail Corporation	1B. SS# OR EMPLOYER ID NO 64-0748860
1C. MAILING ADDRESS Box 202A, Elm Street, Hodge, Louisiana 71247	
2A. ADDITIONAL DEBTOR (IF ANY) (LAST NAME, FIRST MIDDLE-IF AN INDIVIDUAL)	2B. SS# OR EMPLOYER ID NO
2C. MAILING ADDRESS	
3A. ADDITIONAL DEBTOR OR DEBTOR'S TRADE NAMES OR STYLES (IF ANY)	3B. SS# OR EMPLOYER ID NO
3C. MAILING ADDRESS	

SECURED PARTY INFORMATION

4A. SECURED PARTY The First National Bank of Boston, as Collateral Agent
4B. MAILING ADDRESS 100 Federal Street, Boston, MA 02110
5A. ASSIGNEE OF SECURED PARTY (IF ANY)
5B. MAILING ADDRESS

PROPERTY INFORMATION

6A. This FINANCING STATEMENT covers the following types or items of property

See Exhibit A attached hereto for types or items
of property covered by this Financing Statement
(cont'd).

6B. ☒ Products or collateral are also covered.

*A. Check if applicable and attach legal description of real property.

- ☒ Fixture filing under R.S. 10:9-313
- ☐ Minerals or the like (including oil and gas) or accounts subject to R.S. §§ 10:9-101(5) will be financed at the wellhead or minehead of the well or mine
- ☐ The debtor(s) do not have an interest of record in the real property. (Enter name and social security/employer id. # of an owner of record in 7B)

7B. OWNER OF REAL PROPERTY (If other than named debtor) (Enter name and social security/employer id. # of an owner of record)

7C. SS# / EMPLOYER ID NO

8A. This statement is filed without the debtor's signature to perfect a security interest in collateral (check ☒ if so):

- ☐ already subject to a security interest in another jurisdiction when it was brought into this state or debtor's location changed to this state.
- ☐ which is proceeds of the original collateral described above in which a security interest was perfected.
- ☐ as to which the filing has lapsed.
- ☐ acquired after a change of debtor's name, identity or corporate structure AND social security/employer id. #

8B. ☐ Debtor is a Transmuting Utility. Filing is effective until terminated pursuant to R.S. §§ 10:9-401(8)9. SIGNATURE(S) OF DEBTOR(S)
→ **MIDLOUISIANA RAIL CORPORATION**By: *Mark D. Hill*

10. SIGNATURE(S) OF SECURED PARTY(IES) (if applicable)

→ **THE FIRST NATIONAL BANK OF BOSTON, as Collateral Agent**

By: _____

12. THIS SPACE FOR USE OF FILING OFFICER (DATE, TIME, ENTRY # AND FILING OFFICER)

11. Return copy to:

NAME _____

ADDRESS _____

CITY, STATE
ZIP CODE _____

1 N b

DEBTOR'S NAME: MIDLOUISIANA RAIL CORPORATION

DEBTOR'S FEDERAL TAX NUMBER: 64-0748860

EXHIBIT A TO UCC-1 FINANCING STATEMENT

Continued from Paragraph 6A of the
Financing Statement to which
this Exhibit A is attached

This Financing Statement covers the following types or items of property now owned or at any time hereafter acquired by Debtor or in which Debtor now has or at any time in the future may acquire any right, title or interest:

All properties, assets and rights of Debtor of every kind and nature, wherever located, now owned or hereafter acquired or arising and all proceeds and products thereof, including without limiting the generality of the foregoing, all goods, accounts, including all accounts receivable, contract rights, all rights of Debtor under any agreements with operating railroads pursuant to which rights of passage over tracks are granted during periods of emergency and disasters, rights to the payment of money, including tax refund claims, insurance proceeds and tort claims, chattel paper, documents, instruments, general intangibles, Debtor's operating certificate from the Interstate Commerce Commission, securities, together with all income therefrom, increases thereunder and proceeds thereof, patents, trademarks, trade names, copyrights, engineering drawings, service marks, customer lists, books and records, furniture, fixtures, rolling stock of every kind and description, locomotives, rail, ties, and capital improvements thereon, equipment, maintenance of way equipment, inventory and all other capital assets, raw materials, work in progress, real property and interests in and rights in, on or over real property, including railbeds, yards and maintenance areas.

For purposes of La. R.S. 10:9-402 attached hereto is the legal description of the real property upon which the fixtures shall be located (as used therein the term "Mortgagor" shall mean "Debtor").

Being those certain tracts of land, rights of way, rights of use, servitudes, easements and other rights and properties which were acquired by the Mortgagor from North Louisiana & Gulf Railroad Company in Central Louisiana & Gulf Railroad Company, and Stone Hodge, Inc., by those certain Quitclaim Deeds and Quitclaim Deed and Grand of Servitudes and Easements dated September 8, 1987 (the "Act of Sale"), and recorded in the parishes and records hereinbelow described:

<u>Parish</u>	<u>Recordation Information</u>
Bienville	Conv. Book 525 Registry #AD-5149
Jackson	Book 228, Page 673; Book 228, Page 644; Book 228, Page 677
Winn	Book 176, Page 168
Rapides	Conv. Book 1217, Page 849

Together with all buildings, constructions and improvements now or hereafter located thereon and all component parts thereof. Reference should be made to the Act of Sale recorded as aforesaid for a more complete description of the tracts of land, rights of way, rights of use, servitudes, easements and other rights and properties conveyed to the Mortgagor under the Act of Sale and being made subject to this Mortgage.

EXHIBIT B

FORM OF CONFIRMATORY ASSIGNMENT OF CONTRACT

This ASSIGNMENT, dated as of _____, is by MidLouisiana Rail Corporation, a Delaware corporation (the "Debtor") in favor of The First National Bank of Boston (the "Agent") as agent for itself, and certain lenders (the "Lenders").

WHEREAS, the Debtor is party to Contract No. _____ dated _____ between the Debtor and _____ (the "Contract"); and

WHEREAS, the Debtor and the Agent have entered into a certain Security Agreement, dated as of April __, 1991 (the "Security Agreement"), pursuant to which the Debtor has granted to the Agent, for the benefit of the Lenders, a security interest in certain assets of the Debtor, including all of the Debtor's rights in, to and under the Contract, to secure the Obligations referred to in the Security Agreement;

NOW, THEREFORE, the Debtor hereby confirms, acknowledges and agrees that, pursuant to and subject to the terms of the Security Agreement, the Debtor hereby assigns, transfers, pledges and grants to the Agent for the benefit of the Lenders a security interest in all of the Debtor's right, title and interest in and to all moneys due or to become due under the Contract.

EXECUTED as of the date first above written.

MIDLOUISIANA RAIL CORPORATION

By: _____
Title: _____

EXHIBIT C

FORM OF NOTICE OF ASSIGNMENT OF
ACCOUNTS RECEIVABLE AS SECURITY

The First National Bank of Boston

Date:

To: [Contracting Official or Head of
Agency, and Disbursing Official]

Re: Payments to MidLouisiana Rail Corporation
Contract Number:
Made by the United States of America
Department:
Division:

For:

Dated:

Ladies and Gentlemen:

PLEASE TAKE NOTICE that moneys due or to become due to MidLouisiana Rail Corporation (the "Debtor") under the contract described above have been assigned to The First National Bank of Boston (the "Agent"), as agent for itself and certain lenders (the "Lenders") as security for certain obligations of the Debtor to the Lenders, as described more particularly in a Security Agreement (a true and correct copy of which is attached hereto), dated as of April __, 1991, as in effect from time to time. This notice is given pursuant to the provisions of the Assignment of Claims Act of 1940, as amended (31 U.S.C. §3727).

Payments due or to become due to the Debtor under the contract described above should continue to be made to the Debtor until you receive written notice from the Agent directing that such payments be made to another party.

Please return to the undersigned (in the enclosed, self-addressed stamped envelope) the enclosed extra copy of this notice with appropriate notations showing the date and hour of receipt and duly signed by the person acknowledging receipt on behalf of the addressee.

Very truly yours,

THE FIRST NATIONAL BANK
OF BOSTON, as agent
for the secured parties
under that certain
Security Agreement
dated as of
April __, 1991

By: _____
Authorized Official
100 Federal Street
Boston, MA 02110

IRREVOCABLY ACKNOWLEDGED AND
AGREED TO:

MIDLOUISIANA RAIL CORPORATION

By: _____
Title: _____

ACKNOWLEDGMENT OF RECEIPT

Receipt of the above notice and a copy of the Security Agreement described above is hereby acknowledged. These were received at _____ a.m./p.m. on _____, 19____.

Signature

On Behalf of: [Name and Title of
Addressee of Notice]

Schedule I

FILE: MLMOFWEQ
DISK: GAJE0391

25-Mar-91
05:54 PM

MIDLOUISIANA RAIL CORP. MAINTENANCE OF WAY EQUIPMENT OWNED:

NO.	TYPE	COMPANY #	MAKE	MODEL #	SERIAL #
1	TIE CRANE	TC 12	JACKSON	950	135572
1	TAMPER	MT 128	TAMPER	MARK I	937
1	REGULATOR		TAMPER	BEB 17	1772576
1	SPIKER	PSD 26	NORBERG	A	373
1	BURRO CRANE	PRL 24	BURRO	40	40-165
1	TIE INSERTER		JACKSON	925	139224
1	TRACTOR		FORD		0564556

FILE: MLMOFWEG
DISK: GAJE0391

25-Mar-91
05:54 PM

MIDLOUISIANA RAIL CORP. MAINTENANCE OF WAY EQUIPMENT OWNED:

NO.	TYPE	COMPANY #	MAKE	MODEL #	SERIAL #
1	TIE CRANE	TC 12	JACKSON	950	135572
1	TAMPER	MT 128	TAMPER	MARK I	937
1	REGULATOR		TAMPER	BEB 17	1772576
1	SPIKER	FSD 26	NORBERG	A	373
1	BURRO CRANE	PRL 24	BURRO	40	40-165
1	TIE INSERTER		JACKSON	925	139224
1	TRACTOR		FORD		C564556

Schedule II

All of the Real Property of MidLouisiana Rail Corporation is located in Louisiana in the following parishes:

1. Bienville
2. Jackson
3. Rapides
4. Winn

Schedule III

FILE: MLROLSTK
 DISK: GAJEO391

MIDLOUISIANA RAIL CORP.
 FREIGHT CARS - LEASED

29-Mar-91
 03:58 PM

# OF CARS	DESCRIPTION	LESSOR	MARKS	SERIES
1026	50' BOXCARS	ITEL	NLG	5001-7229
300	50' BOXCARS	ITEL	MDR	8001-8300
350	50' BOXCARS	ITEL	MDR	9001-9350
39	CHIP HOPPERS	HELM	NLG	4001-4040
28	CHIP HOPPERS	HELM	NLG	4051-4078
1743	TOTAL MDR CARS LEASED			

MIDLOUISIANA RAIL CORP.
 FREIGHT CARS - OWNED

# OF CARS	DESCRIPTION	OWNER	MARKS	SERIES
4	OPEN TOP HOPPERS	MDR	* MDR	1825-1828
4	TOTAL MDR CARS OWNED			

* RESTENCILLED FROM NLG 201-204

FILE: MLROLSTK
DISK: GAJE0391

MIDLOUISIANA RAIL CORP.
FREIGHT CARS - LEASED

29-Mar-91
03:58 PM

# OF CARS	DESCRIPTION	LESSOR	MARKS	SERIES
1026	50' BOXCARS	ITEL	NLG	5001-7229
300	50' BOXCARS	ITEL	MDR	8001-8300
350	50' BOXCARS	ITEL	MDR	9001-9350
39	CHIP HOPPERS	HELM	NLG	4001-4040
28	CHIP HOPPERS	HELM	NLG	4051-4078
1743	TOTAL MDR CARS LEASED			

MIDLOUISIANA RAIL CORP.
FREIGHT CARS - OWNED

# OF CARS	DESCRIPTION	OWNER	MARKS	SERIES
4	OPEN TOP HOPPERS	MDR	* MDR	1825-1828
4	TOTAL MDR CARS OWNED			

* RESTENCILLED FROM NLG 201-204

Patents, Trademarks, Copyrights

None

SCHEDULE V

The location of the principal place of business of MidLouisiana Rail Corporation is:

Elm Street
Hodge, Louisiana 71247

All of the personal property of MidLouisiana Rail Corporation is located in Louisiana in the following parishes:

1. Bienville
2. Jackson
3. Rapides
4. Winn